

EXHIBIT 6
 DATE 1.16.07
 HB 236

HB 236
“Residential Property Tax Credit for Elderly”
Rep. Hal Jacobson

Homeowner with a gross annual income of \$12,000		
	Current Statute	New Law
Example Income	\$12,000/yr	\$12,000/yr
Subtract from Gross Household Income	-\$6,300	-\$8,000
Household Income for Statue Base	\$5,700	\$4,000
Multiplier to determine amount of reduction	.028	0
Sum Based on Schedule in the Bill	\$159.60	\$0
Property Tax Assumption	\$1,500	\$1,500
Sum Subtracted from Property Tax	$\$1,500 - \$159.60 = \$1340.4$	$\$1,500 - \$0 = \$1500$
Tax Credit Cap	\$1,000	\$1,300
Tax Credit	\$1,000.00	\$1,300.00

Homeowner with a gross annual income of \$18,000		
	Current Statute	New Law
Example Income	\$18,000/yr	\$18,000/yr
Subtract from Gross Household Income	-\$6,300	-\$8,000
Household Income for Statue Base	\$11,700	\$10,000
Multiplier to determine amount of reduction	.045	.024
Sum Based on Schedule in the Bill	\$526.50	\$240
Property Tax Assumption	\$1,500	\$1,500
Sum Subtracted from Property Tax	$\$1,500 - \$526.50 = \$973.50$	$\$1,500 - \$240 = \$1260$
Tax Credit Cap	N/A	N/A
Tax Credit	\$973.50	\$1,260.00

Homeowner with a gross annual income of \$24,000		
	Current Statute	New Law
Example Income	\$24,000/yr	\$24,000/yr
Subtract from Gross Household Income	-\$6,300	-\$8,000
Household Income for Statue Base	\$17,700	\$16,000
Multiplier to determine amount of reduction	.05	.035
Sum Based on Schedule in the Bill	\$885	\$560
Property Tax Assumption	\$1,500	\$1,500
Sum Subtracted from Property Tax	$\$1500 - \$885 = \$615$	$\$1500 - \$560 = \$940$
Tax Credit Cap	N/A	N/A
Tax Credit	\$615.00	\$940.00

Homeowner with a gross annual income of \$40,000		
	Current Statute	New Law
Example Income	\$40,000/yr	\$40,000/yr
Subtract from Gross Household Income	-\$6,300	-\$8,000
Household Income for Statue Base	\$33,700	\$32,000
Multiplier to determine amount of reduction	.05	.05
Sum Based on Schedule in the Bill	\$1,685	\$1,600
Property Tax Assumption	\$2,000	\$2,000
Sum Subtracted from Property Tax	$\$2,000 - \$1,685 = \$315$	$\$2,000 - \$1,600 = \$400$
Tax Credit Cap	N/A	N/A
Tax Credit	\$315.00	\$400.00

Renter-Comparison		
	Current Statute-Year 2000	New Law-Year 2007
Gross Rent	\$600/Month=\$7,200/Yr	\$780/Month=\$9,360/Yr
Rent-equivalent tax paid=15% of gross rent	\$7,200(.15)=\$1,080	\$9,360(.15)=\$1,404
Tax Credit Cap	\$1,000	\$1,300
Tax Credit	\$1,000.00	\$1,404.00

~~\$1,404.00~~
\$1,300.00